

Notice to Agents, Vendors and Contractors

Mercy Health has created a Corporate Responsibility Program to ensure we comply with all laws and regulations that apply to a tax-exempt, church-based health care provider. This includes laws concerning health and safety, Medicare and Medicaid, fraud and abuse, tax, anti-trust, environmental and labor laws, among others.

We cultivate a culture of compliance from the Board Rooms to front-line care-givers, and we include our credentialed providers, vendors and contractors in that commitment. We commit to an effective Corporate Responsibility Program to sustain that culture. Our program includes education, communications methods to encourage reports of concerns, investigations into concerns, monitoring and auditing for compliance and accuracy, and accountability and corrective action when we detect an error.

Vendors and contractors must be aware of, and agree to abide by, the following three provisions of our Corporate Responsibility Program as a continuing condition to do business with us:

Eligibility to Do Business with a Mercy Health Entity

1. As a Medicare and Medicaid participating organization, Mercy Health is prohibited from hiring or doing business with any entity or person who is currently:
 - A. Excluded from participating in federal or state health programs by the Office of Inspector General of the U.S. Department of Health and Human Services;
 - B. Barred from contracting with the U.S. Government by the General Services Administration; or
 - C. Listed as a Terrorist Organization or supporting individual by the Office of Foreign Asset Control of the U.S. Department of the Treasury.
 - D. Excluded from participating in state-specific Medicaid programs
2. Vendors must certify their eligibility to do business with Mercy Health by certifying that neither the organization, nor its owners or principals or any vendor employee (collectively, "staff,") who will provide services to Mercy Health is prohibited from doing business with Mercy Health under paragraph 1. Vendor agrees to provide to Mercy Health the names, addresses and SSNs of key vendor staff, if requested, for Mercy Health to complete required name checks.
3. Eligibility is a continuing condition of any contract with Mercy Health and vendors must agree to notify Mercy Health immediately if the government takes adverse action in paragraph 1 against the vendor or any of its staff. Vendors must also notify Mercy Health if they learn of an investigation that could reasonably result in adverse action in paragraph 1 against the vendor or its staff. Mercy Health may terminate a contract where the government takes adverse action listed in paragraph 1 against the vendor or its staff.

Business Ethics, Gifts and Gratuities

1. Mercy Health does business in an open, fair, impartial and transparent manner and engages in arms-length negotiations with potential vendors, contractors or business partners. Mercy Health requires our employed associates, credentialed providers, board members and volunteers to act in the best interests of Mercy Health at all times. This includes avoiding conflicts of interest that might jeopardize the impartiality of their judgment and decision-making, as well as avoiding situations that create a reasonable appearance of a conflict of interest or an appearance of favoritism, partiality, personal gain or insider-dealing.
2. Mercy Health associates may not seek, request or accept any gift, gratuity or other item, regardless of value, that is intended to influence a business decision, or that is offered to them because of their position in a pending business decision. Mercy Health associates may not accept gifts, gratuities, discounts or other things of value from anyone doing business with, or desiring to do business with,

Mercy Health or any Mercy Health entity, except in nominal amounts, which they must disclose to their reporting superior and according to internal policy. All actions are subject to the Federal Anti-Kickback Law, and subject to certain exceptions, which makes it a crime for anyone to knowingly and willfully solicit or receive, or pay anything of value, including a kickback, bribe or rebate in return for referring an individual to a person for any item or service for which payment may be made in whole or in part under a federal health care program. 42 U.S.C. 1320a-7b Also all actions are subject to the Federal Stark Law, and subject to certain exceptions, where physicians are prohibited from referring federal health care program patients for certain designated health services to an entity with which the physician or an immediate family member has a financial relationship. The Stark Law imposes specific reporting requirements on entities that receive payment for services covered by federal health care programs. 42 U.S.C. 1395(a) and 1903(s).

3. The Corporate Responsibility Program includes Corporate Responsibility Officers (CRO) who can assist or respond to any vendor concern about possible violations of Mercy Health's policies or applicable laws or regulations. Associates are required, and vendors are encouraged, to report any concerns to the CRO using Mercy Health's ReportLine mercyhealthreportline.com, which is available 24/7/365 and where anonymous reports can be made, or calling the Reportline at 1-888-302-9224. Mercy Health policy prohibits retaliation for a report made in good faith.

Required Education on the False Claims Act and Whistleblower Protections for Providers of Medicaid-covered Services

Because Mercy Health and its entities receive in excess of \$5 million in annual Medicaid reimbursements, we are required to provide additional education to our employed associates, vendors and contractors related to the False Claims Act and whistleblower protections available under those laws. Our vendors and contractors are required to ensure that their employees who will provide services to Mercy Health receive the following educational information also:

Mercy Health associates work hard to ensure that we create accurate and truthful patient bills and submit accurate claims for payment from any payer, including Medicare and Medicaid, commercial insurance, or our patients. It's the right thing to do, reflects our faith-based mission and complies with federal and state laws that require accuracy in health care billing.

The federal False Claims Act (31 USC 3729-33) imposes civil penalties for any person or organization to knowingly make a false record or file a false claim with the government for payment. "Knowing" can include deliberate or reckless ignorance of facts that make the claim false.

Examples of activities that could trigger possible False Claims Act liability include billing Medicare for services that were not provided, billing for services that were not ordered by a physician, billing for services that were provided at sub-standard quality where the government would not pay and keeping payments that are known to be overpayments or errors in patient payment that should be returned to the government.

A person who knows a False Claim was filed for payment can file a lawsuit in Federal Court on behalf of the government and, in some cases, receive a reward for bringing original information about a violation to the government's attention. Penalties for violating the federal False Claims Act can be up to three times the value of the False Claim, plus from \$5,500 to \$11,000 in fines, per claim. Some states also have False Claims Act that allows a similar lawsuit in state court if a False Claim is filed with the state for payment, such as under Medicaid or Worker's Compensation. While some state law does not permit private suits like the federal False Claims Act for Medicaid fraud, state law* does include both civil or criminal penalties against those who attempt to obtain Medicaid payments to which they are not entitled, or who commit Medicaid fraud.

The False Claims Act protects anyone who files a False Claim lawsuit from being fired, demoted, threatened or harassed by his or her employer for filing the suit. If a court finds that the employer retaliated, the court can order the employer to re-hire the employee and to pay the employee twice the amount of back pay that is owed, plus interest and attorney's fees. State law provides equivalent protections from retaliation by an employer for employees who report Medicaid fraud to the state authorities

Mercy Health's Corporate Responsibility Program supports compliance with the False Claims Act by:

- Monitoring and auditing business activities to prevent or detect errors in coding or billing.
- Educating our associates, vendors and contractors that they are responsible to report any concern about a possible False Claim at a Mercy Health facility via our dedicated Reportline or internal 3-Step Reporting Process.
- Investigating all reported concerns and correcting any billing errors discovered.
- Protecting our associates, vendors or contractors from adverse action when they do the right thing and report any genuine concern via the dedicated Reportline or internal 3-Step Reporting Process. Mercy Health will investigate any allegation of retaliation against an associate for speaking up.

* State Laws for Ohio: Medicaid Fraud Ohio Revised Code Sec. 2913.40, 2913.401, 2921.13, 4113.52, 5111.03 and 5164.35; State Laws for Kentucky: Kentucky Revised Code Sec. 205.8463, 295.8467